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YUGOSLAV DRAFT DECREES ON LABOR, CONSTRUCTION, FORESTS, RAILROADS, POST OFFICES, TELECOMMUNICATIONS, AND ELECTRIC POWER

[The recent Constitutional reform in Yugoslavia has resulted in a number of draft decrees on the Yugoslav economy. The following report describes the basic characteristics of the draft decrees on labor, construction, forests, railroads, post offices, telecommunications, and electric power.

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Charts referred to are appended.]

DRAFT DECREE ON LABOR RELATIONS IN THE ECONOMY

Coverage of the Decree

The Draft Decree on Labor Relations in the Economy covers hiring, work hours, leave, absenteeism, liability of workers, rights of workers, termination of employment, and labor prescriptions.

Basic Principles of the Decree

The basic principles of the Draft Decree on Labor Relations in the Economy are as follows:

Persons may be hired if they are at least 15 years old, have not lost the right to engage in a designated occupation because of a court ruling, are not already employed by an economic organization, and are physically and mentally fit.

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Employment begins after a verbal or written declaration by the person concerned that he accepts the work and pay regulations of the economic organization concerned, and after the authorized agency of the economic organization has issued a written order affirming that the person is hired.

A probation period of 14 days is permitted.

Persons being employed for the first time with secondary, upper school, or faculty education are placed in a trainee status for 3 years; at the end of that period, they are required to take a specialized examination.

An employee may not be transferred to another work site, which calls for lower qualifications and lower pay, if he does not agree to the change.

The regular work period consists of 8 hours a day and 48 hours a week. Shorter periods are planned for work that is considered heavier than normal or dangerous to health. The regular work period may be extended beyond 8 hours a day, only insofar as accidents or damage may not result.

Overtime work is permitted only in exceptional cases, or in economic organizations engaged in seasonal activities requiring overtime. Overtime is permitted for only 2 hours daily, 8 hours weekly, and 16 hours monthly. Overtime work is not permitted where regular work periods have been shortened or where work periods have been extended.

Overtime work is forbidden for pregnant women, mothers with children under 7, persons under 18, and persons who have a disability of one third or more.

In industrial, construction, and mining enterprises, night work is forbidden for pregnant women, mothers with children under 7, and persons under 18.

After 11 months of unbroken employment, an employee is entitled to at least 15 days of leave a year, and to the minimum compensation commensurate with his pay category.

An employee may be paid only for 7 days of absenteeism during a calendar year.

An employee is liable to his economic organization for violation of his obligations and responsibilities. Disciplinary penalties, which are prescribed by the regulations of the economic organization, are imposed by the disciplinary court or other authorized agency of the economic organization. An employee may not be penalized without a hearing except in cases where he does not answer a summons to a hearing. He is entitled to counsel. The hearing before a disciplinary court is public, and members of the work collective have a voice in the sentencing. Appeals of the sentence of the disciplinary court are resolved by the workers' council.

An employee is liable according to the laws governing property for damage to property due to the employee's fault. The agencies of an economic organization rule on fines up to 5,000 dinars (may be 10,000 dinars, depending on the final decree); appeals from such rulings are made to a regular court. For damages over 5,000 dinars (or 10,000 dinars), an economic organization may submit its complaint to a regular court. The workers' council of an economic organization rules on decreasing or revoking fines up to 5,000 dinars; the srez or city people's council rules on decreasing or revoking fines over 5,000 dinars.

The agencies of an economic organization are authorized to rule on appeals of the first and second instance in establishing rights arising from labor relations. An employee may appeal to a regular court against rulings that violate his rights.

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The Labor Relations Arbitration Board (Arbitraza za radne odnose) in the srez or city people's council rules on employees' appeals against employment severance. Severance cannot take place until the board rules that it should take place. Severance may result because of mutual agreement, dismissal, disciplinary dismissal, expiration of time contract, or introduction of factors contrary to the wishes of the employee and the economic organization.

Employees may not be dismissed in the following circumstances: during illness, medical treatment, or rehabilitation which is longer than 7 days; during pregnancy or after the birth until 8 months of nursing have been completed; during military service; or during the period an employee is a member of the administrative council of the enterprise, a president of the workers' council, a member of the Assembly of the Bureau of Social Security (Skupstina zavoda za socijalno osiguranje), or an officer of the producers' council.

The workers' council may dismiss workers in large numbers only when production is being reduced.

The rights and responsibilities of employees are regulated by prescriptions issued by a two-thirds majority of the workers' council. The rights of employees provided by this decree may not be violated by such regulations.

DRAFT DECREE ON ECONOMIC ORGANIZATIONS FOR CONSTRUCTION

Coverage of the Decree

The Draft Decree on Economic Organizations for Construction covers the establishment of construction enterprises, agencies of construction enterprises, activities of construction enterprises, distribution of the total product, masonry and carpentry shops, supervision of construction projects, and penalty regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on Economic Organizations for Construction are as follows:

Economic organizations for construction include construction enterprises and artisans' construction shops which engage in construction work independently. A construction enterprise is responsible for doing all work on a construction project including artisans' [carpentry?] work and installation work. An artisans' construction shop may only do artisans' work and installation work.

A construction enterprise may undertake work anywhere in Yugoslavia, but must have special permission to do construction abroad.

A construction enterprise is composed of building sites and construction units, each one of which organizes its own work and operates according to a separate economic account. The relations between an enterprise and its sites and units are prescribed by regulations of the enterprise, which are issued by the workers' council of the enterprise as proposed by the workers' councils of its sites and units. A construction enterprise allocates basic resources and also supplies operating resources to its sites and units.

Construction enterprises are established according to the regulations that govern the establishment of economic enterprises after fulfilling the regulations of this decree. The agencies of an enterprise are its workers' council, administrative council, and director. Building sites and construction units are

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proportionately represented in the workers'council of the enterprise. The administrative agencies of building sites and construction units are workers' councils and administrators of the sites and units.

A construction enterprise is guarantor for its building sites and construction units, regarding their obligations to the general state requirements and to the enterprise. It verifies the accuracy of their accounts and the distribution of the total product, and informs the srezes or cities concerned on the profits realized. Building sites and construction units make the following contributions to the parent enterprise: designated amounts for funds of the enterprise, contributions to expenditures of the enterprise's directorate, a percentage of their profits for distribution among workers of the directorate, and a profit tax.

Owners of masonry and carpentry shops may only undertake work which they will be able to manage personally.

Supplementary Regulations to the Decree

The Federal State Secretariat for Affairs of the National Economy will issue detailed regulations designating the managers responsible for individual types of construction work.

DRAFT DECREE ON CONCLUDING CONSTRUCTION AGREEMENTS

Coverage of the Decree

The Draft Decree on Concluding Construction Agreements covers the public competition for contracts, collection of bids, direct contracts, management, agreements with private artisans' shops, penalty regulations, and final regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on Concluding Construction Agreements are as follows:

Construction work may be contracted for by the following methods: public competition for work involving more than 5 million dinars, collecting written bids for work involving not more than 5 million dinars, and direct contracts for work involving less than one million dinars.

In special cases, construction work may be undertaken by the investor /enterprise or organization which requires construction work to be done/.

Public competition is held by means of written bids. All construction enterprises and construction shops in Yugoslavia are entitled to bid after first depositing security for 2-10 percent of the estimated value of the construction work. If three bids are not received, a competition is considered unsuccessful. A new competition is held in 15 days if two bids have been received; but if only one bid has been received, a direct contract may be made with the bidder.

After a competition has been concluded, the investor issues an order for work to begin within 10 days of the conclusion of the contract.

Bidders are entitled to appeal against bidding proceedings and against orders for work to begin, by forwarding their appeal to the construction agency of the srez or city people's council in whose area the headquarters of the investor is located.

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Private artisans' shops may participate in competitions for bids and conclude contracts through bids or directly with an investor, but they are limited to their specialized type of work and must have paid the tax [not specified]. They may undertake only work which the owner and an authorized number of workers can complete in a designated period. All such contracts involving over 100,000 dinars must be submitted for confirmation and approval to a construction inspector.

Investors are obligated to make any payments to private artisans' shops through the National Bank of Yugoslavia, which deducts the tax due on such transactions.

DRAFT DECREE ON CONSTRUCTION PLANNING AND PLANNING ORGANIZATIONS

Coverage of the Decree

The Draft Decree on Construction Planning and Planning Organizations covers the planning of construction projects, inspection of plans, planning organizations, penalty regulations, and provisional regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on Construction Planning and Planning Organizations are as follows:

Construction planning is done on the basis of construction which the investor orders. The investor is responsible for planned construction being in accord with the program approved for investment construction.

The investor is obligated to submit the main plan for inspection to revisory commissions in the srez or city people's council and in the republic State Secretariat for Affairs of the National Economy. Administrative agencies of railroad, maritime, and postal, telegraph, and telephone transportation services may establish revisory commissions for the inspection of plans related to their projects or activities. A commission may accept for inspection only completed plans which have been drawn up by a registered planning bureau.

Planning bureaus are economic enterprises or component units of construction enterprises. A planning bureau may draw up plans only under the management of authorized planners. The names of authorized planners must be listed in the register of economic organizations; only such individuals have the right to sign plans.

A planning bureau in a construction enterprise acts independently according to its own special economic account, has its own workers' council, and has its own special regulations issued by the workers' council of the enterprise. A planning bureau confirms and distributes its total product according to the basic Decree on the Total Product of Economic Organizations and Its Distribution.

Supplementary Regulations to the Decree

The republic executive councils will issue regulations on the jurisdiction of revisory commissions in state secretariats for affairs of the economy and of people's councils.

The federal State Secretary for Affairs of the National Economy issues detailed regulations on the publication of announcements of competitions; regulates any other factors involved in the main plan for individual types of construction projects;

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and issues detailed regulations on the work of revisory commissions and on the specialized qualifications and responsibilities of the members of such commissions.

The republic State Secretary for Affairs of the National Economy designates the projects to which this decree does not apply and determines the method for planning such projects.

DRAFT DECREE ON GRANTING CONSTRUCTION PERMITS AND APPROVALS AND PERMITS FOR THE UTILIZATION OF STRUCTURES

Coverage of the Decree

The Draft Decree on Granting Construction Permits and Approvals and Permits for the Utilization of Structures covers construction permits, approval for construction work, reports on construction work, permits for utilization of structures, appeals, penalty regulations, and final regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on Granting Construction Permits and Approvals and Permits for the Utilization of Structures are as follows:

A construction permit must be obtained for all new construction work; and all work on existing construction, if (1) the new work makes any changes in the old construction or changes its purpose in any way, (2) the new construction has any influence on hygienic conditions or aesthetic appearance, or (3) it changes relations to neighboring construction. Construction permits are granted by the construction agency of the srez, city, or authorized city ward people's council upon the request of the investor, and after inspection of the building site and discussion with all interested persons.

For work on memorials protected by the Law on Care of Cultural and Rare Memorials, it is necessary to obtain the agreement of the authorized agency for the preservation of memorials. For construction involving a site located in the area of two or more people's councils, permits must be obtained from each of the councils concerned for the part being constructed in its area. For construction of projects of republic or federal importance and for other important projects, permits are under the jurisdiction of the republic State Secretary for Affairs of the National Economy.

Approval is necessary for beginning construction work, such as excavating building sites below the level of adjoining property, setting up permanent pillars or supports for reclamation work, renovating facades on main streets, wrecking construction, and constructing or reconstructing annexes to dwellings and economic buildings of farm workers in unregulated villages located 200 meters from large transportation networks or 50 meters from first- or second-class roads.

Reports must be submitted on all construction work which does not require a permit or approval.

New construction may not be utilized without obtaining a permit from the construction agency of the srez, city, or city ward people's council; this permit is requested by the investor after conveyance of the construction has been completed.

Appeals against rulings of the construction agency of a people's council may be presented to the republic State Secretary for Affairs of the National Economy, whose decision is final.

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Supplementary Regulations to the Decree

Republic executive councils will issue detailed regulations on the issuing of permits and approvals, on the forwarding of reports, and on the issuing of permits to utilize construction.

DRAFT DECREE ON THE PREPARATION AND APPROVAL OF THE INVESTMENT PROGRAM

Basic Principles of the Decree

The basic principles of the Decree on the Preparation and Approval of the Investment Program are as follows:

An investment program must be prepared for all new construction, reconstruction, or improvement of capital investment construction. This provision does not apply to construction connected with social standards except when designed for public use.

Since the basic concept of the draft decree is to insure profitable and economical capital investment construction, the investment program must include technical analyses, graphic representations, and sketches. For investments of a noneconomic character, the investment program needs to include only descriptions of the specific investment.

The investor prepares the investment program, which is forwarded for revision and approval to a special revisory commission of the city or srez people's council. The commission forwards its decision to the investor and to the Republic Executive Council.

Appeals of disapprovals may be forwarded by the investor, within 15 days of receipt of the disapproval, to the Economic Council of the Republic Executive Council.

Rulings for approval are valid for 2 years.

DRAFT DECREE ON THE ACCEPTANCE OF CONSTRUCTION AND CONSTRUCTION WORK

Basic Principles of the Decree

The basic principles of the Draft Decree on the Acceptance of Construction and Construction Work are as follows:

The quantitative and qualitative acceptance of construction and construction work by conveyance, which is obligatory except for private property, is made when construction or construction work is completed, or when a part of a project is completed, provided the part constitutes a unit which may be put into use immediately.

Acceptance is made by a commission composed of three members appointed by the investor. After the Acceptance Commission has made a detailed inspection of the work and accounts, the commission renders its decision with the supervisory agency and the construction inspector /of the construction enterprise/ participating in the inspection.

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The investor and constructor are obligated to forward all necessary documentation to the Acceptance Commission. If any information has been omitted, the constructor is obligated to forward that information. If he does not do so, the investor will obtain such information at the constructor's expense.

A provisional conveyance of property is made after the commission renders its decision. The final conveyance is made at the end of the guarantee period. If the commission forwards any suggestions as to supplementary work, the constructor is obligated to act upon the suggestions during the contract time remaining. If he does not do so, such supplementary work will be done at the constructor's expense by another constructor or under the management of the investor.

DRAFT DECREE ON ADMINISTRATION OF FORESTS AND THE GENERAL PEOPLE'S PROPERTY

Coverage of the Decree

The Draft Decree on Administration of Forests and the General People's Property covers the establishment of forest holdings (sumska gazdinstva), agencies of forest holdings, forest sectors and special operations, activities of forest holdings, distribution of total product, financing of forest holdings, supervision of forest holdings, penalty regulations, and final regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on Administration of Forests and the General People's Property are as follows:

Forest holdings are defined as economic enterprises whose function is the care and cultivation of forests, the exploitation of forests, and the development of forest production. Forest holdings responsible for mostly young or denuded forests may be organized as independently financed establishments.

A forest holding is established by the Republic Executive Council, which assigns the land and forests for administration, lists the number of sectors and their mutual boundaries, and names the headquarters of the holding and its sectors.

Other economic organizations as well as communal organizations (komunalne zajednice) may administer small isolated forests assigned to them by srez or city people's councils.

A forest holding operates according to its annual plan for cutting and afforesting. This plan is prepared on the basis of the long-term plan for the development of the forest economy.

Forest holdings may have sectors and specialized operations for individual activities, such as sawmills, construction and transportation operations, seedling nurseries, etc.

Work collectives administer forest holdings; representatives, elected by the workers' council and administrative council of a holding, administer its sectors and operations.

The Republic Executive Council appoints the director of a forest holding. He is responsible for seeing that cutting is not excessive and that the afforestation program is carried out.

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The relations between a forest holding and its sectors and operations are governed by rulings of the workers' council of the forest holding as proposed by the workers' councils of the sectors and operations.

A forest holding supplies basic and operating resources to its sectors and operations.

The Forest Inspectorate supervises the activities of forest holdings and may suspend activities which violate legal regulations.

Supplementary Regulations

A supplementary regulation connected with the Decree on Administration of Forests and the General People's Property is the Decree on Administration of Forests Which Are Designated as National Parks.

DRAFT DECREE ON THE ORGANIZATION, ACTIVITIES, AND ADMINISTRATION OF JZ

Coverage of the Decree

The Draft Decree on the Organization, Activities, and Administration of JZ (Jugoslovenska zeleznice, Yugoslav Railroads) covers the establishment of enterprises and directorates, transportation of passengers and goods, operation of JZ, distribution of total product, payment system, administrative agencies, responsibility of railroad personnel, penalty regulations, temporary regulations, and final regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on the Organization, Activities, and Administration of JZ are as follows:

The organization of JZ (Chart No 1).

The administrative agencies of JZ (Chart No 2).

The relations and connections of JZ with the social system (Chart No 3).

The transportation of passengers and goods by railroad is a public function which is carried out under the law and under the supervision of state administrative agencies. The General Directorate of JZ issues uniform regulations on safety and security of transportation, while the directorates of enterprises assure their application. The General Directorate issues measures for coordinating the transportation of passengers and goods with international transportation and international regulations, and issues regulations to assure uniform activity on Yugoslav railroads. The General Directorate coordinates railroad rates with the economic policy of the country. The directorates coordinate railroad schedules with public and economic needs.

Individual economic organizations not a component of the Yugoslav railroad system may have their own transportation facilities; but they must utilize them in accordance with railroad regulations and in agreement with JZ agencies.

The General Directorate and directorates may establish special enterprises, such as printing offices, service offices, sleeping car and dining car enterprises, etc. The same railroad timetable is used on all Yugoslav railroads. Railroad rates for transportation of passengers and goods are uniform throughout Yugoslavia.

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The General Directorate distributes freight cars according to transportation and economic needs. Blue- and white-collar workers employed by JZ are responsible for carrying out the orders of their superiors. Directorates exercise supervision through inspectors of railroad transportation.

Basic resources are interchanged without limitations within JZ. Investors may be enterprises and directorates utilizing their own funds and credits, or the General Directorate upon authorization from the Federal Executive Council. Investments are made within the investment construction program, which the directorate formulates for its enterprises and the General Directorate formulates for directorates.

Maintenance enterprises dispose freely of services which have not been contracted for by transportation enterprises. An Arbitration Board for this purpose is established in directorates and in the General Directorate.

Enterprises operate under general regulations, with some specific exceptions [not designated]. Enterprises contribute to their directorate's amortization fund in the amount designed to replace basic resources. Blue- and white-collar workers in enterprises are paid according to wage regulations, while blue- and white-collar workers employed in directorates and the General Directorate are paid a designated monthly salary.

Work collectives administer railroad enterprises directly and administer directorates through workers' administrative agencies. Representatives delegated by the directorates administer the General Directorate. Election of all JZ workers' administrative agencies are to be completed by 1 October 1953. These elections will be organized by the Central Council of the Railroad Unions of Yugoslavia (Centralni odbor sindikata zeleznicara Jugoslavije). Members of the Administrative Council of the General Directorate and of directorates are elected for 2 years.

The plan calls for a continuation of the present number of directorates, namely, the directorates in Belgrade, Zagreb, Ljubljana, Sarajevo, Skoplje, and Novi Sad.

Supplementary Regulations

Supplementary regulations connected with the Draft Decree on the Organization, Activities, and Administration of JZ include the following: regulations on the transportation of passengers and goods, detailed regulations on the organization and work of revisory commissions for the supervision of plans for railroad projects, detailed regulations issued by the General Director of JZ on disciplinary responsibilities and disciplinary proceedings, and regulations issued by the General Director of JZ on proceedings for recompense for damages. Until the economic organization JZ is formally registered, Yugoslav railroads will operate according to the rulings issued by the General Directorate of Railroads in agreement with the Federal Executive Council on the organization of enterprises and directorates of railroad enterprises.

DRAFT DECREE ON THE ORGANIZATION, ACTIVITY, AND ADMINISTRATION OF YUGOSLAV POST OFFICES AND TELECOMMUNICATIONS

Coverage of the Decree

The Draft Decree on the Organization, Activity, and Administration of Yugoslav Post Offices and Telecommunications covers the following: basic regulations; establishment of enterprises; agencies of enterprises and the General Directorate;

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rights and responsibilities of agencies of enterprises and the General Directorate; securing and distribution of the total product; administration of basic resources; the payment system; economic operation; administrative activities; responsibility in the transmission of postal, telegraph, and telephone communications; and provisional and final regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on the Organization, Activities, and Administration of Yugoslav Post Offices and Telecommunications are as follows:

The association of Yugoslav Post Offices and Telecommunications includes all economic organizations concerned with the public transmission of postal, telegraph, and telephone communications. This association is composed of postal, telegraph, and telephone enterprises. These enterprises are composed of post offices, telegraph offices, telephone offices, automobile garages, and workshops.

Regulations pertaining to economic organizations apply to PTT (postal, telegraph, and telephone) enterprises, except as designated otherwise. PTT enterprises are free to sell and purchase basic PTT resources among themselves.

Blue- and white-collar workers employed in enterprises are paid according to wage regulations; while blue- and white-collar workers employed in the General Directorate are paid a monthly salary, and are awarded supplementary pay in case they make special contributions to their work.

Enterprises make decisions on investments financed from funds at their free disposition. For investments of greater importance, enterprises may arrange for investment credits, with the srez or city people's council standing as guarantor.

The General Directorate regulates the transmission of postal, telegraph, telephone communications, and issues uniform technical regulations applying to PTT traffic. PTT rates are uniform throughout Yugoslavia. The General Directorate supervises the work of enterprises through an inspector.

Administrative agencies, owners of buildings or sites where PTT installations are located, or owners of buildings or sites adjacent to PTT installations may not undertake work which might interfere with PTT installations without giving prior notice to the enterprises involved.

Work collectives administer enterprises and executive units through administrative agencies. The administrative council and general director of the General Directorate administer its activities; they are appointed from the ranks of enterprises for 2 years by the Federal Executive Council, which also has the right of dismissal.

/Appended charts show the organization of Yugoslav Postal, Telegraph, and Telephone Service (Chart No 4) and the agencies of enterprises and the General Directorate of Yugoslav Post Offices and Telecommunications (Chart No 5)./

Supplementary Regulations

Supplementary regulations connected with the Draft Decree on the Organization, Activities, and Administration of Yugoslav Post Offices and Telecommunications are as follows:

The relationship between consumers and the PTT Service is determined by special regulations. The Administrative Council of the General Directorate rules on the rights of the directorate, with the approval of the Federal Executive Council, and confirms a detailed classification of expenditures for materials of

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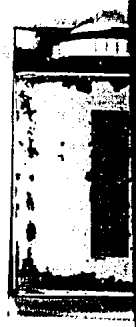

enterprises. The Administrative Council of the General Directorate also approves basic resources which are of special significance to the whole association, and approves the methods of their utilization.

The General Directorate orders the share of profits to be allotted to the reserve fund of the enterprises. On the proposal of the Administrative Council of the General Directorate, the Federal Executive Council prescribes pay rates for blue- and white-collar workers, and methods for distributing awards from the award fund.

The General Directorate issues detailed regulations on the organization and work of commissions for revision of plans for postal, telegraph, and telephone installations and projects.

The General Directorate issues special prescriptions on the disciplinary and material responsibility of blue- and white-collar workers engaged in PTT work and sets the time for elections of administrative agencies for the entire service. The Central Council of Unions of PTT Workers does the preparatory work connected with elections.

PTT Connections With People's Councils

The srez or city people's council is connected with the PTT service in that the council has jurisdiction over the following: records of executive units, payment of interest on basic resources, taxing of profits of executive units, taxing of profits allotted to enterprise funds and to the social security fund, guarantees for long-term credits, guarantees for bank credit utilized to complete the minimum wage fund, security for investment credits, planning of financial resources for more important investments called for by the social plan of the srez or city, and inspection of activities of enterprises.

PTT Connections With the Republic Executive Council

The Republic Executive Council is connected with the PTT service in that the council has jurisdiction over the following: rulings on proposals involving PTT investments, security for long-term credits, security for bank credit utilized to complete the minimum wage fund, and planning of financial resources for investments called for by the republic social plan.

PTT Connections With the Federal Executive Council

The Federal Executive Council is connected with the PTT service in that the council has jurisdiction over the following: authorization to administer activities under federal jurisdiction, approval of the General Directorate's regulations, appointment of the General Director, enactment of administrative measures for the proper functioning of the PTT service, rulings on investment questions and other important PTT problems, prescribing that the profit allotted for the investment fund is not subject to profit tax, approving the share of the profits the enterprise must place in its reserve fund, prescribing the classification of jobs and methods of promotion, prescribing basic pay, prescribing general conditions for distributing supplementary pay to blue- and white-collar workers of enterprises, prescribing pay of blue- white-collar workers of the General Directorate, prescribing methods of allotting awards from the award fund, planning financial resources of investments called for by the federal social plan, and review and approval of PTT rates.

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DRAFT DECREE ON ASSOCIATIONS OF ELECTRIC POWER ENTERPRISES

Coverage of the Decree

The Draft Decree on Associations of Electric Power Enterprises covers the following: basic regulations covering the purpose of forming associations, enterprises eligible to join associations, the establishment of associations, rights and obligations of enterprises joining an association; agencies and the statute of an association, purchase and sale of electric power; electric power rates and prices; confirmation and distribution of the gross product of an association; supervisory rights of an association; supervision by state agencies; and penalty, provisional, and final regulations.

Basic Principles of the Decree

The basic principles of the Draft Decree on the Association of Electric Power Enterprises cover the following:

To make possible more effective utilization of electric power installations, associations of electric power enterprises are being established. These associations will be composed of enterprises for the production and transmission of electric power, and of enterprises for the sale of electric power.

The Federal Executive Council establishes by decree associations which include enterprises from two or more republics, while the Republic Executive Council establishes associations which include enterprises from a single republic. The decree on the establishment of an association prescribes the enterprises which are obligated to join the association, the period in which the association must be constituted, and the name and headquarters of the association.

The Administrative Council and director of an association are its administrative agencies. The administrative council is composed of a representative from each member enterprise. The administrative council may select from its members a presidency, and has a council for rates which handles electric power rates and charges. The Executive Council [federal or republic] appoints the director of the association.

The statute of the association prescribes the method of its establishment, and prescribes the work and jurisdiction of its administrative council. The Administrative Council issues the statute with the approval of the executive council which had jurisdiction over the establishment of the association.

For the purchase, transmission, and sale of electric power, an association makes individual agreements with member enterprises. Member enterprises sell their entire production of electric power to the association. Both the association and member enterprises are obligated to conclude agreements on the purchase, transmission, and sale of electric power. Disputes arising from such agreements or their execution are decided by a selected court. There are no appeals against decisions of such courts except for complaints.

The price an association pays for electric power from its member electric power production enterprises is determined by agreement. As association sells electric power to distributional enterprises and large industrial consumers at rates which are uniform for individual categories of consumers. Such rates are set by the administrative council of the association in conjunction with the executive council which established the association.

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Distributional enterprises sell electric power to consumers at uniform rates for individual categories of consumers. These rates are determined by the distributional enterprise in conjunction with the srez or city people's council in whose area the enterprise has its headquarters.

The confirmation and distribution of gross income are carried out according to regulations outlined in the Draft of the Basic Decree on the Total Product of Economic Organizations and Its Distribution.

Supplementary Regulations

Supplementary regulations connected with the Decree on Associations of Electric Power Enterprises are as follows:

The Republic Executive Council issues the decree on separating electric power plants from individual economic enterprises, where the plants mostly serve consumers other than the enterprise and are part of a high-tension transmission line network.

Existing electric power systems and accounting centers will cease operation as the Republic Executive Council rules on the deadline dates and the methods of ceasing operation.

CHART 1. ORGANIZATION OF JZ

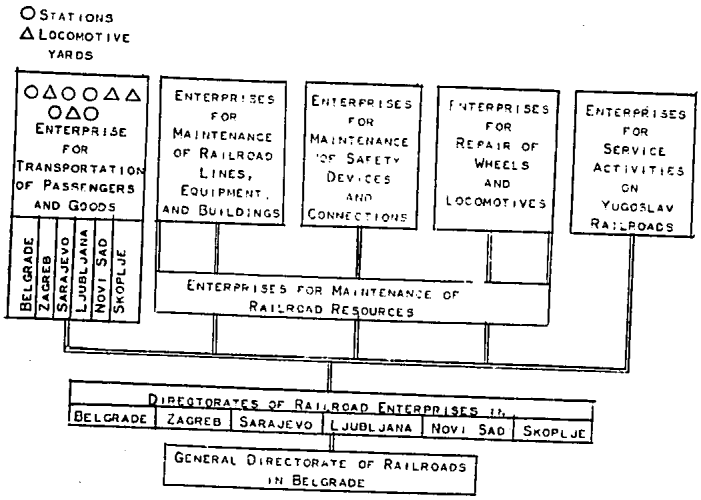

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CHART 2. ADMINISTRATIVE AGENCIES OF JZ

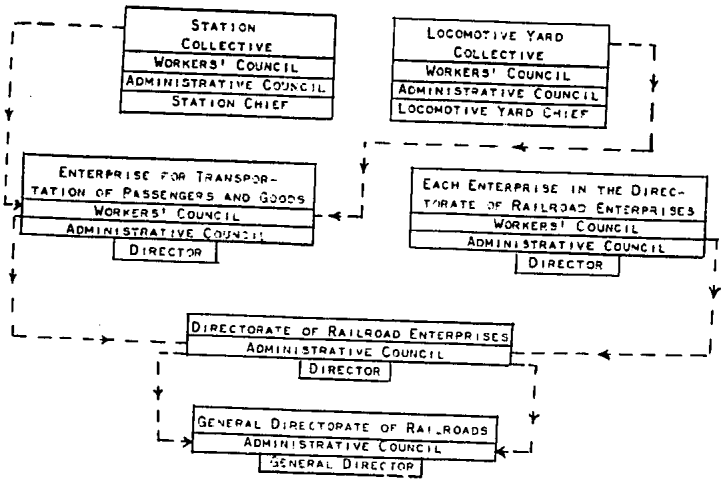

CHART 3. RELATIONS AND CONNECTIONS OF JZ WITH THE SOCIAL SYSTEM

CITY OR SREZ PEOPLE'S COUNCIL	OBLIGATIONS TO THE SOCIAL SYSTEM REPORTS OF RECORDS	STATIONS AND LOCOMOTIVE YARDS
CITY OR SREZ PEOPLE'S COUNCIL	REGULATION OF ELECTIONS, SETTLING OF DISPUTES APPROVING OF REGISTRATION AND LAWS OBLIGATIONS TO THE SOCIAL SYSTEM GUARANTEEING OF LONG-TERM CREDITS SUPERVISING OF FINANCIAL ACTIVITIES ASSURING THE MINIMUM WAGE FUND	ALL JZ ENTERPRISES
PEOPLE'S REPUBLIC	ASSURING THE MINIMUM WAGE FUND OBLIGATIONS TO THE SOCIAL SYSTEM ESTABLISHING REGISTRATION GUARANTEEING LONG-TERM CREDITS APPROVING FINAL ACCOUNTS SUPERVISING FINANCES APPOINTING THE DIRECTOR APPROVING LAWS	ENTERPRISES FOR THE TRANSPORTATION OF PASSENGERS AND GOODS
FEDERAL EXECUTIVE COUNCIL	ESTABLISHING THE DIRECTORATE OF RAILROAD ENTERPRISES APPOINTING THE DIRECTOR OF THE DIRECTORATE OF RAILROAD ENTERPRISES	DIRECTORATE OF RAILROAD ENTERPRISES
FEDERAL EXECUTIVE COUNCIL	ESTABLISHING ORGANIZATIONS APPROVING LAWS SETTING RATES DELEGATING FUNCTIONS APPROVING FINAL ACCOUNTS REGULATING THE PAYMENT SYSTEM APPOINTING THE GENERAL DIRECTOR	GENERAL DIRECTORATE OF JZ

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Chart 4. Organization of Yugoslav Postal, Telegraph, and Telephone Service

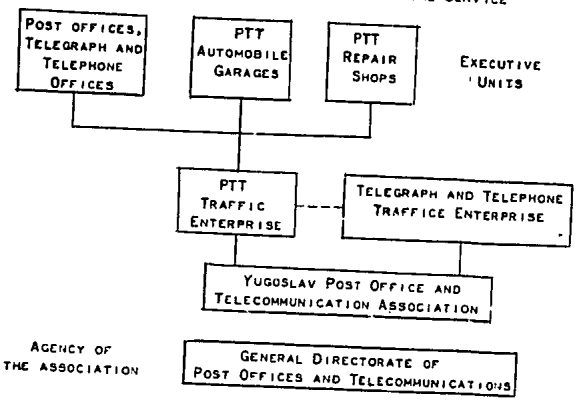
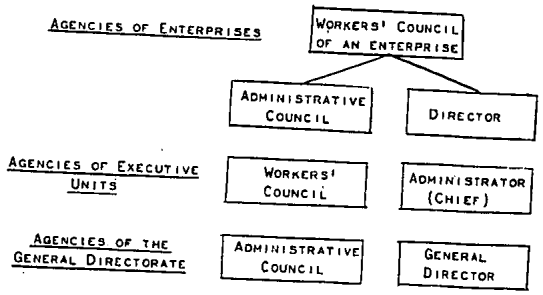


Chart 5. Agencies of Enterprises and the General Directorate of Yugoslav Post Offices and Telecommunications



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